



CoinDesk Indices Update on Coinbase

June 6, 2023 – CoinDesk Indices is aware of the recent [SEC allegations](#) impacting Coinbase.

Until further notice, CoinDesk Indices will not make any modifications based on these SEC allegations but will closely monitor the situation and provide updates as necessary.

Additional Details:

Potential Impact – Eligible Exchange

CoinDesk Indices currently uses Coinbase as a contributing exchange for some of its Single Digital Asset Price Indices and Reference Rates. In turn, our multi-asset indices utilize those Reference Rates as constituents. As part of its periodic review of exchanges, CoinDesk Indices will review the allegations to determine if Coinbase continues to meet the Eligible Exchange criteria as defined in CoinDesk's Digital Asset Policy [Methodology](#).

Potential Impact – Security Designations

The SEC allegations name specific digital asset tokens as securities including SOL, ADA, MATIC, FIL, SAND, AXS, CHZ, FLOW, ICP, NEAR, VGX, DASH, and NEXO. Per CoinDesk's Digital Asset Policy [Methodology](#):

Digital assets that are securities, as defined by the federal securities laws, or under such consideration by any U.S. government oversight agency, are not eligible for inclusion in a CoinDesk index with the exception of the CoinDesk Market Index family.

In the event a current constituent is designated as a security based on the above definition, it will generally be removed from the impacted index at a date to be determined by the Index Committee. If the impacted index is a Single Digital Asset Price Index, the impacted index will be reviewed by the Index Committee for potential termination.

Given the number and size of the digital assets in the allegation and the impact on its indices, CoinDesk Indices will not remove these assets at this time and will continue to monitor the situation and SEC communications, including US-based trading activity.

CoinDesk Indices welcomes user feedback on this approach and will continue to provide updates.

Please reach out to IndexServices@coindesk-indices.com for questions or comments.

Regards,

CoinDesk Indices



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